

## KANSAS RACING AND GAMING COMMISSION

### MINUTES – OCTOBER 18, 2019

#### CALL TO ORDER (A.)

Chairman Brandon Jones called the October 18, 2019 meeting to order at 10:00 a.m. The meeting was held in the Turn Two Lounge at Hollywood Casino at Kansas Speedway, 777 Hollywood Casino Blvd. Kansas City, KS. Commissioners Kelly Kultala, Larry Turnquist, and Dave Myres were also present. Others present included Executive Director Don Brownlee, General Counsel Judith Taylor, Director of Administration, Audit, and Finance Brandi White, Director of Security Joe Herridge, Recording Secretary Sarah Lynch-Chaput, and other staff.

#### MOTION, APPROVE AGENDA (B.)

Commissioner Turnquist (Myres) moved to approve the agenda. Motion carried unanimously.

#### MOTION, APPROVE SEPTEMBER 13, 2019 MEETING MINUTES (C.1.)

Commissioner Kultala (Myres) moved to approve the minutes of the September 13, 2019 meeting. Motion carried unanimously.

#### MOTION, APPROVE CONSENT AGENDA (D.)

Commissioner Turnquist (Myres) moved to approve the consent agenda. Motion carried unanimously.

#### LOTTERY GAMING FACILITY REPORTS/ITEMS; BOOT HILL CASINO & RESORT (E.1.a.)

Diane Giardine, General Manager, reported:

- September 2019 revenue numbers compared to September 2018:
  - Total gaming revenue decreased 2.59%
  - Total slot revenue decreased 0.03%
  - Table games revenue decreased 17.50%
- Upcoming Promotions and Events:
  - Earn & Eat Mondays
  - Points for Pasta
  - Winning Wheel Drawings
  - Pumpkin Smash Hot Seats
  - VIP Three Card Poker Tournament
  - MMA Revolution Cage Warrior, October 26<sup>th</sup>
  - Mannheim Steamroller, November 25<sup>th</sup>
  - Tracy Lawrence and Justin Moore, January 16<sup>th</sup>

LOTTERY GAMING  
FACILITY  
REPORTS/ITEMS; KANSAS  
STAR  
(E.2.a.)

Jeff Babinski, General Manager, reported:

- September 2019 revenue numbers compared to September 2018:
  - Admissions down 17.7%
  - Total gross gaming revenue down 4.4%
  - Slot coin-in down 3.8%
  - Slot hold up 0.14 points
  - Table games drop down 9.9%
  - Table games hold down 2.25 points
  - Poker room revenue up 2.2%
- Past Events and Promotions:
  - Wichita Flea Market, September 21<sup>st</sup> and 22<sup>nd</sup>
  - Midwest Beerfest, September 27<sup>th</sup> and 28<sup>th</sup>
  - Solid Waste Association of America, September 29<sup>th</sup> – October 3<sup>rd</sup>
  - Gladys Knight, October 12<sup>th</sup>
  - Kansas Association of Court Services Officers Conference, October 16<sup>th</sup> to 18<sup>th</sup>
- Upcoming Events and Promotions:
  - Evolution Fighting Championship, October 19<sup>th</sup>
  - Kansas Tourism Conference, October 21<sup>st</sup> – 23<sup>rd</sup>
  - Wichita Flea Market, October 26<sup>th</sup> and 27<sup>th</sup>
  - Kansas Sheriff's Association Conference, November 5<sup>th</sup> to 7<sup>th</sup>
  - Asian Variety Show, November 10<sup>th</sup>
  - Alzheimer's Association Conference, November 13<sup>th</sup> and 14<sup>th</sup>
  - National Finals Steer Roping, November 21<sup>st</sup> to 23<sup>rd</sup>

LOTTERY GAMING  
FACILITY  
REPORTS/ITEMS;  
HOLLYWOOD CASINO AT  
KANSAS SPEEDWAY  
(E.3.a.)

Rick Skinner, Vice President and General Manager, reported:

- September 2019 revenue numbers compared to September 2018:
  - Admissions down 0.9%
  - Total gaming revenue was \$11.8 million, a decrease of 3.1%
  - Table games revenue was \$1.0 million, a decrease of 28.0%
  - Slot revenue was \$10.8 million, an increase of 0.2%

LOTTERY GAMING  
FACILITY  
REPORTS/ITEMS; KANSAS  
CROSSING CASINO  
(E.4.a.)

- Past Events and Promotions:
  - American Royal BBQ, September 13<sup>th</sup>
  - VIP Trick or Treat for slot play, October 12<sup>th</sup>
- Upcoming Events and Promotions:
  - NASCAR weekend at Kansas Speedway, October 18<sup>th</sup> – 20<sup>th</sup>
  - Hollywood Casino 400 Giveaway - \$75,000, October 18<sup>th</sup>
  - Party on the Patio, October 20<sup>th</sup>
  - Pick, Pull, and Win - \$250,000, November 2<sup>nd</sup>
  - Cuisinart Giveaway, November 9<sup>th</sup> and 16<sup>th</sup>
  - Winning Hand, November 15<sup>th</sup>

Doug Fisher, General Manager, reported:

- September 2019 revenue numbers compared to September 2018:
  - Admissions increased 9.1%
  - Net slot revenue decreased 0.6%
  - Net table games win decreased 17.8%
  - Net gaming revenue decreased 3.1%
- Past Events and Promotions:
  - Labor Day Lineup with Free Hot Dogs, Free Slot Pulls, and Hot Seats, September 2<sup>nd</sup>
  - Invitational Blackjack Tournament, September 14<sup>th</sup>
  - Magician Reza, September 14<sup>th</sup>
  - Buck Cherry, September 16<sup>th</sup>
  - Invited Guests Receive Pizza Oven, September 21<sup>st</sup>
  - Bank Account Bonanza, September 28<sup>th</sup>
  - Pop Evil, September 28<sup>th</sup>
  - Hinder, October 5<sup>th</sup>
- Upcoming Events and Promotions:
  - Skid Row, October 19<sup>th</sup>
  - Battery, Metallica Tribute Show, October 25<sup>th</sup>
  - Bank Account Bonanza, October 26<sup>th</sup>
  - October Fridays - \$500 Crossing Cash Drawing from 8 p.m. to 11 p.m.
  - Jason Boland and the Stragglers, November 9<sup>th</sup>
  - Josh Abbott Band, November 16<sup>th</sup>
  - Dueling Pianos, November 22<sup>nd</sup> and 23<sup>rd</sup>

COMMISSION ITEMS –  
OLD BUSINESS  
(F.)

There were no old business items.

COMMISSION ITEMS –  
NEW BUSINESS  
(G.)

There were no new business items.

PUBLIC COMMENTS  
(H.)

There were no public comments.

STAFF REPORTS  
(I.1.a. and I.2)

Sarah Lynch-Chaput, Paralegal, reported on the Voluntary Exclusion Program statistics for the month of September 2019.

Executive Director Brownlee reported:

- There are currently thirteen jurisdictions that offer sports betting, with six more jurisdictions that have passed legislation to allow it but still in start-up mode.
- Iowa took in thirty-eight and a half million dollars in sports bets in their first month of operations, with approximately five million in revenue for the state of Iowa.
- The state administration is updating information technology policies. KRGC is in the process of updating its computer equipment and IT policies. These policies will be presented to the commission with plenty of time for them to be reviewed.
- The November 15, 2019 commission meeting will take place in Topeka at 10:00 a.m.

MOTION, EXECUTIVE  
SESSION; ATTORNEY-  
CLIENT PRIVILEGE AND  
BACKGROUND REPORTS  
(J.1, J.2, J.3, and J.4)

Commissioner Myres (Turnquist) moved that the Commission go into executive session for the purpose of (1) confidential personnel issues; (2) confidential facility manager financial information; (3) confidential attorney-client privileged communications; and (4) reviewing the list of confidential backgrounds for licensing. Those included in the executive session were the commissioners and executive director for personnel issues; commissioners, executive director, general counsel, director of administration, audit, and finance, and Todd Allen, auditor, for facility manager financial information; commissioners, executive director, and general counsel for attorney-client privilege; and the commissioners, executive director, general counsel, and director of security for reviewing the list

of confidential backgrounds for licensing. The total time for the executive session was anticipated to be an hour and five minutes until 11:35 a.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried unanimously and the meeting was adjourned to executive session at 10:30 a.m.

RECONVENE

The commission meeting returned to open session at 11:35 a.m. with all members present.

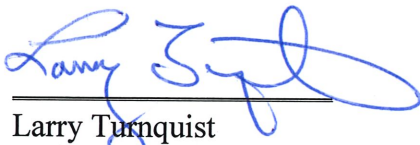
MOTIONS ON LICENSE  
APPLICATIONS  
(K.)

Commissioner Turnquist (Myres) moved to *deny* four license applications, *conditionally approve* two license applications, *deny the request for reconsideration* of one license, and *approve* the remaining 231 license applications from the October 18, 2019 list of background reports referred to the commission for action. Commissioner Kultala abstained from voting on licensee Stephanie Grounds. The motion otherwise carried unanimously.

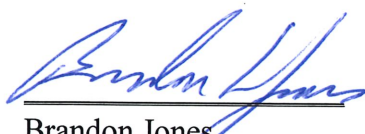
ADJOURN  
(L.)

Commissioner Kultala (Turnquist) moved to adjourn the meeting. Motion carried unanimously. The meeting was adjourned at 11:37 a.m.

SUBMITTED BY:

  
Larry Turnquist  
Secretary

APPROVED BY:

  
Brandon Jones  
Chairman